

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. NO.: 3788-03
BILL NO.: Perfected HS for HB 1615
SUBJECT: Various Changes to the Division of Aging from House Interim Committee
TYPE: Original
DATE: March 28, 2000

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
General Revenue	(\$49,346,688)	(\$80,657,532)	(\$87,492,997)
Total Estimated Net Effect on <u>All</u> State Funds	(\$49,346,688)	(\$80,657,532)	(\$87,492,997)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Federal	(\$69,795,837)	(\$117,810,587)	(\$128,174,593)
Total Estimated Net Effect on <u>All</u> Federal Funds	(\$69,795,837)	(\$117,810,587)	(\$128,174,593)

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2001	FY 2002	FY 2003
Local Government	Exceeds (\$100,000)	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 15 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Attorney General, Department of Mental Health and Department of Public Safety - Missouri Highway Patrol** assume this proposal will not fiscally affect their agencies.

Officials from the **Office of State Courts Administrator (OSCA)** stated the various changes in the laws relating to elderly abuse proposed by this legislation should not have an appreciable impact on the workload of the courts.

Officials from the **Department of Social Services - Division of Legal Services (DLS)** anticipate the new provisions will result in increased litigation and will also require legal assistance in drafting and implementing rules and regulations and internal policies. One additional Attorney (\$34,992) will be needed. The DLS split the costs between state and federal funds at a rate of 60% state and 40% federal.

The DLS also stated that Section 3281 of the State Operations Manual, issued by the US Department of Health and Human Services - Health Care Financing Administration (HCFA), requires that the state survey and certification agency investigate complaints involving an immediate and serious threat to patient health and safety within two working days of receipt. Therefore, it appears this legislation could be, according to the DLS, federally mandated.

Officials from the **Department of Social Services - Division of Family Services (DFS)** state that they assume that all of DFS's Medicaid programs would be impacted by language in sections 208.010 and 208.151, RSMo. However, for the purpose of this fiscal note DFS assumes Temporary Assistance is excluded as stated in 208.010.2 (4), RSMo. DFS assumes that all of the current Qualified Medicare Beneficiary (QMB) and Specified Low-income Medicare Beneficiary (SLMB) only program participants would be eligible for Medicaid with the increased resource limits. DFS assumes 8,645 QMB only cases and 4,518 SLMB only cases (data obtained from the Division of Medical Services for January, 2000). DFS assumes 15 Supplemental Aid to the Blind (SAB) applicants were denied Medicaid benefits on the basis of a \$2,000 resources limit (data obtained from Research and Evaluation). Those individuals rejected in the past on excessive resources usually qualify for the Blind Pension program since it has a \$20,000 resource maximum. Therefore, DFS would not have any additional cost for this group. In addition, DFS assumes that some General Relief applicants were denied Medicaid benefits on the basis of the \$1,000 resource limit. However, the number impacted would be negligible. DFS assumes no additional cost for this group.

ASSUMPTION (continued)

DFS assumes that sixty-five percent of the total population would qualify for the single resource maximum and thirty-five percent of the total population would qualify for the couple resource maximum as reported by the Health Care Financing Administration (Medicare Current Beneficiary Survey Data Tables, 1997, Table 1.2)

DFS assumes sixty-five percent of the current QMB and SLMB program participants are living alone. DFS assumes that all of this population would be eligible for Medicaid based on the increased resource limits. For the SLMB population the income limits is \$385 greater than the SSI maximum, therefore, this population would be spenddown. The QMB only population would be eligible for full Medicaid benefits with the resource limits increased to \$5,000/\$7,000 and income increased to 100% of the poverty level. DFS assumes that the average adult Medicaid caseload to be 480 cases. Therefore, DFS projects ten (10) additional caseworkers would be needed to service the new eligibles. DFS would need one Supervisor I and two Clerk Typist II to support the additional caseworkers.

Officials from the **Department of Social Services - Division of Data Processing (DDP)** stated the proposal would increase the number of Medicaid recipients to a level undefined at this time. Should this number increase substantially, additional disk storage and CPU expenses would be incurred by the DDP. **Oversight** assumes that the DDP could absorb any additional storage costs and CPU expenses with existing resources.

Officials from the **Department of Social Services - Division of Medical Services (DMS)** stated the proposal would have the following fiscal impact:

Nursing Rate Adjustment from Mandatory Staffing Ratio

DMS states the proposal would have a fiscal impact . The proposal would allow nursing facility providers to petition DMS for a rate adjustment to the direct care component of their rate when they incur additional costs as a result of mandatory staffing requirements. The cost is unknown but greater than \$100,000.

Expansion of the Asset Limit to \$5,000 Single and \$7,000 for Married Couple

DMS projects that 22,932 persons would become Medicaid eligible if the resource limit is increased to \$5,000/\$7,000. The estimate was done by the Division of Family Service. DMS estimates the annual program cost to be \$56,245,552 in FY2001, \$91,515,658 in FY2002, and \$100,179,156 in FY2003.

ASSUMPTION (continued)

Expansion of Eligibility for Aged, Blind, and Disabled

DMS states that as of 12-01-99 there were 8,645 QMB only, 15 SAB, and 9,900 spenddown eligibles. DMS estimates that 4,877 new eligibles would be added because of this proposal. DMS estimates the annual program cost to be \$47,325,186 in FY2001, \$82,898,100 in FY2002, and \$90,760,404 in FY2002.

Payment to Nursing Facility for a Newly Admitted Medicaid Resident

DMS states the proposal would require DMS to reimburse a licensed nursing home operator for a newly admitted Medicaid resident in a licensed long-term care facility within 45 days of the resident's date of admission. Currently, DMS is required to make timely payments by federal law (42 CFR 447.45) on 90% of all "clean claims" within 30 days of the date of receipt. DMS assumes there would not be a fiscal impact from this proposal to DMS.

Adding Chiropractic Services to Services Covered by the Medicaid Program

DMS states the proposal would have a fiscal impact on DMS. Currently chiropractic services are not covered Medicaid services. DMS assumes that services would be provided by the fee-for-service and managed care programs. DMS estimates the annual program costs to be \$5,310,164 in FY2001, \$10,620,328 in FY2002, and \$10,620,328 in FY2003.

Prior Authorizations of Drugs or Medicines

DMS states the proposal may have a fiscal impact on DMS. DMS believes the division would not see any cost savings that may be generated from putting a drug on prior authorization if the committee must approve the rule for the drug to be placed on prior authorization.

Nursing Facility Rates are to be Reasonable and Adequate

DMS states that proposal would have fiscal impact on DMS. DMS states the cost is unknown but expected to be greater than \$100,000.

Training for Elder Abuse and Neglect for In-home Service Agencies Employees

DMS states the provision in the proposal which requires the in-home agencies to provide training on elder abuse and neglect to their employees would not have a fiscal impact on DMS.

ASSUMPTION (continued)

All Medicaid Participation Agreements with LTC facilities - Access by Ombudsmen

DMS states this provision of the proposal would not fiscally impact their agency.

Restructure of the Adult Day Care Program

DMS states the restructuring of the adult day care program to allow programs that provide a basic level of care without the rehabilitative services and the requirement that DMS provide additional reimbursement to providers for the transportation of clients to and from their homes for adult day care would have a fiscal impact on DMS. DMS estimates the annual program cost to be \$1,858,377 in FY2001, \$2,910,362 in FY2002, and \$4,768,739 in FY2003.

Officials from the **Department of Social Services - Division of Aging (DA)** stated this proposal would impact their division as follows:

Initiate Immediate Investigations of Imminent Harm

The added requirement at 187.020.5 RSMo states "For reports involving imminent harm, the division shall initiate an immediate investigation." For purposes of this fiscal note, we assumed that immediate investigation means upon receipt of the report in the applicable regional office. Current state law allows the division up to 24 hours to initiate an investigation of abuse or neglect. The DA assumed the intent of the proposal is to reduce the time from receipt to initiation. During the first half of FY2000, Institutional Services received 559 class A priority code complaints. DA would anticipate that between 1,100 and 1,200 class A priority code complaints will be received in FY2000. (The average complaint investigation takes about 10 hours to complete and the average FTE works approximately 1,840 hours annually.) To enable Institutional Services to initiate immediate investigations of these reports, an additional Facility Advisory Nurse II position (\$42,288) will be needed in each of the seven (7) regional offices.

Referrals to the Prosecutor and Law Enforcement

The Prosecutors office and law enforcement agencies will determine the fiscal impact associated with additional referrals resulting from the language requiring the division to refer all cases of "suspected" elder abuse. There were 13,082 investigations completed by Home and Community Services in FY 99; 55% (7,195 cases) had investigative findings of reason to believe and 21.6% (2,826 cases) had findings in which the allegations were suspected to have occurred. There were 6,410 investigations completed by Institutional Services in FY99; 26.5% (1,699) had investigative findings of valid and 20.9% (1,340) had findings in which the allegations were

ASSUMPTION (continued)

unable to be verified. Currently, DA already contacts or involves local law enforcement agencies when investigating allegations where there is suspected elder abuse.

Training

The division assumes the intent of the proposal is that DA staff and law enforcement officials statewide will require training on the proper handling of cases involving elder abuse.

- There will be a window of time in which the state will have to bring 800+ DA staff and the approximately 29,000 law enforcement officials (representing over 1,200 law enforcement agencies) into compliance with the training requirements of the legislation.
- The law enforcement agencies will absorb the cost of training law enforcement officials. Once existing law enforcement officers receive the training, the curriculum will be incorporated into the required training for state certification in Missouri. There are 18 law enforcement training academies located throughout the state which offer the required 470 hours of training for all law enforcement officials to become certified.

The division will need one Aging Program Senior Trainer position (\$44,136) to oversee the administrative responsibilities outlined in the bill. The administrator will work with the Highway Patrol, Sheriff's Association, Law Enforcement Training Academies, and other such agencies and associations to fulfill the requirements of joint training, developing accurate curriculum including the mandated checklist to ensure thorough investigations of elder abuse cases. Once the curriculum has been developed, the administrator will act as the division liaison for law enforcement to the over 1,200 law enforcement agencies to ensure that elder abuse training is accurate and revisions are made as necessary in accordance with state laws.

The administrator will conduct "train the trainer" sessions for new law enforcement and division trainers, as necessary and be available to speak at association meetings and law enforcement conferences across the state. The administrator will conduct in-house training to establish a list of division personnel in various regions who can present on elder abuse investigations and the use of the checklist. Once the curriculum has been developed, it will be used for training staff of the law enforcement academies and within the division to train existing staff on the proper handling of cases involving elder abuse including the use of checklist. The division will add to its basic and advanced orientation this same curriculum to enhance the sections involving elder abuse that are already included in the current training program, inviting law enforcement or highway patrol personnel to present/speak at the orientation programs to meet the requirements of cross-training.

ASSUMPTION (continued)

The division will conduct training for 800+ employees within the division in six to eight sessions across the state (depending on attendance by law enforcement personnel). The division estimates that 16 hours of training across three days will be sufficient, requiring two overnights for approximately 40% of the staff. All staff will require meal allowance and some travel reimbursement. Anticipating maximum carpool and state cars usage, mileage is based on an average of 75 miles per car. The division estimates the cost of training as follows (no cost for "trainers" included):

Total DA Staff/Personnel to be trained	800
Approximate number requiring two overnight accommodations (40%)	320
Hotel Accommodations: \$60.00 per overnight two nights	\$38,400
Meal Allowance: \$23.00 per day; two days (800x\$23x2)	\$36,800
Meal Allowance: \$17.00 last day (plus 15%) (\$19.55x800)	\$15,640
Approximate Mileage (1 car per 3 employees = $800/3 = 267$ cars)	
75 average miles round-trip per car ($267 \times 75 \times \$0.28/\text{mile}$)	<u>\$ 5,607</u>
Total Estimated Cost of Training DA Staff	<u>\$96,447</u>

Oversight assumes that the training would be held at sites around the state. Oversight assumes total costs of \$51,027.

Telephone Check-In

Section 187.100 requires the division to establish a telephone check-in pilot project in one area of the state for purpose of documenting in-home employees times and services. The division in collaboration with Division of Medical Services is currently conducting a pilot program called "Telephony". Approximately 23 provider agencies are voluntarily participating in an area covering approximately 3/4 of the state. Telephony allows in-home employees to clock in and out of the client's home recording actual time and services provided.

Approximately 1/4 of the state is prevented from participation as these areas do not have caller identification available. According to the projections of the telephone companies, it is anticipated that the additional areas will not have caller identification systems until the year 2003.

Participating provider agencies buy and develop their own systems. The systems range in price from \$7,000 to \$75,000 depending on the type of software and hardware that must be purchased by the agency. Upon evaluation of the pilot program, the divisions will determine the effectiveness of implementing this program statewide, however, to mandate the use of the system

ASSUMPTION (continued)

by all agencies would be extremely costly to small businesses. The current pilot appears to meet the mandate of the proposed legislation and would therefore have no fiscal impact on the division.

Section 208.225 Expansion of Medicaid Eligibility

The DA stated the fiscal impact unknown or indeterminate for this section of the proposal. According to the Division of Medical Services, it is not possible to determine the target population under the unknown parameters of an "increased income and asset limit".

Currently there are a total of 76,308 persons age 65 and over on Medicaid. As of June 30, 1999, the division had authorized in-home services to just over 24,500 Medicaid in-home service recipients or 32% (24,567 / 76,308) of the Medicaid clients age 65 or over. Once the target population is determined, the division would require additional staff at a ratio of 1:125 for 32% of the new potential eligible participants.

Section 660.252 Medicaid Participation Agreements and Mandated Training on Elder Abuse

Current training requirements are mandated for all contracted in-home services provider agencies in accordance with 13 CSR 15-7.021 (19). Included in required training topics is recognizing and reporting abuse, neglect, and/or exploitation of elderly or disabled clients. Additionally, reporting elder abuse is required by the contract for in-home services as well as state law.

Officials from the **Department of Corrections (DOC)** stated that the costs to the DOC for this proposal would be \$0 to minimal. The costs can be absorbed with existing resources.

Officials from the **Office of Prosecution Services** deferred to the Cole County Prosecuting Attorney's Office to provide a response for this proposal. Officials from the **Cole County Prosecuting Attorney's Office (CCPAO)** stated that this proposal is a complete re-write of the existing laws in this subject area. The proposal affects the stealing, assault, and abuse statutes. This will require the local prosecuting attorney offices to re-write forms and instructions related to elder abuse. This will also require an update to the computer network being installed in the prosecutors offices statewide. Although the CCPAO could not give a precise estimate of these costs, the costs are expected to exceed \$100,000 in the first year alone.

Oversight will present a cost of over \$100,000 for FY 01 for the various prosecuting attorneys statewide which will be reflected in local government funds for fiscal note purposes.

ASSUMPTION (continued)

Officials from the **Office of State Public Defender (SPD)** stated that for the purpose of this proposal, the SPD has assumed that existing staff could provide representation for those 10 to 25 cases arising where indigent persons were charged with failure to report elder abuse, false reporting of elder abuse or neglect in a nursing home. However, passage of more than one similar proposal would require the SPD to request increased appropriations to cover cumulative costs of representing the indigent accused in the additional cases.

Officials from the **Office of Secretary of State (SOS)** stated this proposal makes major changes in the statutes dealing with the care and abuse of the elderly. Based on experience with other divisions, the rules, regulations and forms issued by the Division of Aging could require as many as approximately 64 pages in the *Code of State Regulations*.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials from the **Department of Health (DOH)** state that in estimating the cost of amendment 13, the following assumptions were made:

1. A Pharmacy Relief for the Elderly Fund would be created.
2. All moneys necessary to implement the program would be appropriated.
3. The program would pay for prescription drugs.
4. Based on the way the language is written only persons aged 63 and 64 would qualify. Those persons 65 and older would qualify for Medicare. Medicare is a form of health insurance. The amendment restricts eligibility to persons "who do not have health insurance". It also restricts the program to persons "over the age of 62". An additional restriction is to persons who "require prescription medications".
5. Except for the restrictions listed above, there are no other restrictions in the amendment. Therefore, it is assumed there are no income or asset restrictions or limits on payment of prescription drugs.
6. In Missouri there are 87,067 persons aged 63 and 64.
7. 12.6 percent of persons under the age of 65 are uninsured.
8. Therefore, it is estimated that 10,970 persons qualify for the program.
9. It is assumed all qualified persons would participate.
10. The following are based are estimates of prescription expenditures for seniors using mid-point of range:

ASSUMPTION (continued)

Dollars Spent	Percent	Number of Qualified Persons	Assumed Reimbursement Per Person	Cost for Prescription Medications
< \$1	22%	2,414	\$ 0	\$ 0
\$1 - \$199	34%	3,730	\$ 100	\$ 373,000
\$200 - \$499	19%	2,084	\$ 350	\$ 729,400
\$500 - \$999	13%	1,426	\$ 750	\$ 1,069,500
> \$1,000	<u>12%</u>	<u>1,316</u>	\$1,500	<u>\$ 1,974,000</u>
Total	100%	10,970		\$ 4,145,900

11. Assume a two percent administrative cost for pharmacies to process claims for qualified persons - \$82,918. Assume 2,000 pharmacies in the state could potentially participate.
12. Number of claims processed each year is based on three claims per month per participant.
13. DOH would establish a program unit to determine eligibility, enroll providers and process claims for the pharmaceutical program. A Health Program Representative III would be used as a program manager to provide program development, administer, and provide oversight to the program and eligibility determinations, supervise staff, ensure accountability and monitor the outcome of the program. One Clerk IV position would be needed to provide clerical support for the unit.
14. For claims processing, DOH would need 13 Account Clerk IIs. This is based on processing 120 claims per day/8 hours a day = 15 claims per hour x 2,080 = 31,200 claims per year per account clerk. With 394,920 claims anticipated/31,200 per clerk, it equals 12.66 FTE, rounded to the nearest whole number of 13.
15. For eligibility determination, three Health Program Representative Is would be needed. The eligibility workers would provide program assistance to agency clients, determine initials and continuing eligibility for participants, verify information received from clients, and maintain enrollment records. The participants would be asked to sign an attestation that they qualify for the program in terms of age and lack of health insurance. Participants would be required to re-apply annually. Therefore, at least 10,970 applications would be processed each year. Eligibility workers would verify age and lack of health insurance on 15 percent of the applications. It is assumed that on average a client would require one hour of time each year resulting in 5,485 hours. (5,485/8 hours/230 days = 2.64 FTE, rounded to the nearest whole number of 3 FTE)
16. For provider relations, one Health Program Representative I would be needed to enroll the 2,000 pharmacies, respond to inquiries and complaints by providers, and maintain participation agreements. Two clerk typist IIs would also secure, process and mail more than 11,000 checks each month to the providers assuming three claims per check. These clerks would also maintain the files for approximately 400,000 claims per year.

ASSUMPTION (continued)

17. One Health Program Representative II and one Accountant I will be needed for supervising the 17 claims processing and eligibility staff. One additional Clerk Typist II will be needed to provide clerical support.

18. DOH will also need to process denials of eligibility and payments. One Health Program Representative II will perform these duties.

19. DOH would develop brochures regarding the program, applications, approval letter, and reimbursement requests. Initially development costs would be \$25,000. Ongoing costs would be:

Item	Number	Cost per Item	Cost
Brochures	50,000	\$.35	\$17,500
Application Forms	15,000	\$.20	\$3,000
Postage for Forms	15,000	\$.50	\$7,500

20. DOH will have costs for processing and mailing claim payments. The cost of processing (postage, paper, supplies, envelopes, copying, filing space, etc.) is estimated at \$.463 per claim (400,000 claims x \$.463 = \$185,200).

21. An electronic processing system will be developed initially to process claims at a cost of \$250,000. Annual maintenance of the system will require one Computer Information Technician III. The operating costs for the system are estimated at \$30,000 per year.

22. Expense and Equipment for staff is based on standard E&E allowance per FTE for 22 staff. Funding for an additional five file cabinets and a copier is also included.

Oversight assumes that the pharmacies would elect to file all claims for eligible participants.

Oversight assumes that DOH would limit pharmacies to filing once a month per eligible participant. Therefore, **Oversight** assumes one Health Program Specialist III, two Health Program Specialist Is, one Clerk IV, one Clerk Typist II, seven Account Clerk II, one Accountant I, and one Computer Information Technician.

FISCAL IMPACT - State Government

FY 2001
(10 Mo.)

FY 2002

FY 2003

GENERAL REVENUE FUND

Costs - Department of Social Services -
 Division of Aging

Program costs	(\$108,997)	(\$308,820)	(\$316,977)
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<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
<u>Costs - Department of Social Services - Division of Medical Services</u>			
Program costs	(\$44,384,529)	(\$74,906,135)	(\$81,516,117)
<u>Costs - Department of Social Services - Division of Family Services</u>			
Increased Personnel and Expense and Equipment Cost from Increasing Asset and Income Limits	(\$343,364)	(\$325,300)	(\$333,515)
<u>Costs - Department of Social Services - Division of Legal Services</u>			
Personal Service (1 FTE at 60%)	(\$17,926)	(\$22,058)	(\$22,610)
Fringe Benefits	(\$5,512)	(\$6,783)	(\$6,952)
Expense and Equipment	(\$7,474)	(\$6,474)	(\$6,668)
Total <u>Costs</u> - Div. of Legal Services	<u>(\$30,912)</u>	<u>(\$35,315)</u>	<u>(\$36,230)</u>
<u>Costs - Department of Health</u>			
Personal service (14 FTE)	(\$312,592)	(\$386,043)	(\$395,694)
Fringe benefits	(\$96,122)	(\$118,708)	(\$121,676)
Expense and equipment	(\$4,070,172)	(\$4,577,211)	(\$4,772,788)
Total <u>Costs</u> - Department of Health	<u>(\$4,478,886)</u>	<u>(\$5,081,962)</u>	<u>(\$5,290,158)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>(\$49,346,688)</u>	<u>(\$80,657,532)</u>	<u>(\$87,492,997)</u>

<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
FEDERAL FUNDS			
<u>Costs - Department of Social Services - Division of Aging</u>			
Program costs	(\$108,481)	(\$313,076)	(\$321,238)
<u>Costs - Department of Social Services - Division of Medical Services</u>			
Program costs	(\$69,507,215)	(\$117,315,467)	(\$127,666,705)

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<u>FISCAL IMPACT - State Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
<u>Costs - Department of Social Services - Division of Family Services</u>			
Increased Personnel and Expense and Equipment Cost from Increasing Asset and Income Limits	(\$159,533)	(\$158,501)	(\$162,496)
<u>Costs - Department of Social Services - Division of Legal Services</u>			
Personal Service (1 FTE at 40%)	(\$11,951)	(\$14,705)	(\$15,073)
Fringe Benefits	(\$3,675)	(\$4,522)	(\$4,635)
Expense and Equipment	(\$4,983)	(\$4,316)	(\$4,446)
Total <u>Costs</u> - Div. of Legal Services	<u>(\$20,609)</u>	<u>(\$23,543)</u>	<u>(\$24,154)</u>
ESTIMATED EFFECT ON FEDERAL FUNDS	<u>(\$69,795,837)</u>	<u>(\$117,810,587)</u>	<u>(\$128,174,593)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2001 (10 Mo.)	FY 2002	FY 2003
LOCAL GOVERNMENT FUNDS			
<u>Costs - Prosecuting Attorneys</u>			
Upgrades to Computer Systems, Forms and Instruction Changes	Exceeds <u>(\$100,000)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED EFFECT ON LOCAL GOVERNMENT FUNDS	Exceeds <u>(\$100,000)</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

Small businesses may be required to hire more patient care staff in order to implement corrective actions relating to staffing. Home health businesses would also have costs for implementing telephone check-in systems.

DESCRIPTION

This proposal modifies the law relating to protection of the elderly. The proposal:

- (1) Creates a new chapter on protection of the elderly and transfers several existing statutory sections to this chapter;
- (2) Requires reports of suspected elder abuse to be referred to the appropriate law enforcement agency. Current law requires only substantiated reports to be referred. The Division of Aging is also required to investigate immediately any report of elder abuse or neglect that involves a threat of imminent harm;
- (3) Requires the division and law enforcement agencies to cross-train personnel in investigating cases of suspected elder abuse;
- (4) Requires the division to establish in one area of the state a pilot project using a telephone check-in system to monitor the arrival and departure of staff providing in-home services;
- (5) Allows the Attorney General to obtain investigative subpoenas and search warrants in connection with investigations of abuse cases;
- (6) Authorizes the division, when confronted with violations or deficiencies related to staffing, to implement corrective actions such as staffing ratios, training plans, or plans related to staff supervision. The division may require corrective action regardless of whether the deficiency or violation is corrected;
- (7) Requires the division to terminate the employment of a division employee who knowingly discloses the time of an unannounced inspection of a facility licensed by the division;
- (8) Requires the Department of Social Services to increase the current asset and income limits for Medicaid eligibility;
- (9) Allows a statement made by an elderly or disabled person near the time of an alleged crime to be admitted as evidence in criminal proceedings if the person is unavailable as a witness due to the person's physical or mental condition and the court believes the person's statement to be reliable;
- (10) Authorizes staff of the department, in any action brought by the department relating to the care and protection of an eligible adult, to have access to all medical and mental health records of the eligible adult; and

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DESCRIPTION (continued)

(11) Requires training on elder abuse and neglect for all employees providing in-home services through contracts with the department.

This legislation may be federally mandated, would not duplicate any other program and would require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Social Services
Department of Mental Health
Office of State Courts Administrator
Office of Prosecution Services
Office of State Public Defender
Office of Attorney General
Department of Corrections
Department of Public Safety - Missouri Highway Patrol
Office of Secretary of State
Department of Health



Jeanne Jarrett, CPA
Director
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